

# Emerging Malls Boom In Maharashtra State

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**Abstract**– The study highlight on the mall culture in Maharashtra is so high and the customer of Maharashtra they wanted to uplift the standard of living with the help of mall culture, organized retailing format using the online payment system, bar-coding system, national & multinational brand.

## I INTRODUCTION

The present study is focusing on the retail system in Maharashtra. There are a number changes taking place for the improvement of the different retail formats which are highlighted in this research. Although the modern retail outlets are building their own status, still the traditional retail outlets dominate the retailing system in Maharashtra. Study is an effort to present the current scenario, the past prospects and the future aspects of both the retailing systems that is organized and unorganized retailing in Maharashtra State. The aim of the study is to provide its contribution to the society and benefits through its suggestions, which are beneficial for consumer as well as retailer.

### *Organized Retail in Maharashtra State*

The gross state domestic product (GSDP) at current prices for 2011-12 is estimated at 11,99,548 crore and contributes about 14.4 per cent of the GDP. The GSDP has been growing at a rapid pace over the last few years. Presently industrial and services sector both together contribute about 87.1 per cent of the State's income. The agriculture & allied activities sector contributes 12.9 per cent to the State's income. Maharashtra is the most industrialized State and has maintained leading position in the industrial sector in India. The State is pioneer in Small Scale industries. The State continues to attract industrial investments from both, domestic as well as foreign institutions. Progress on Human Development Index is often depicted as a benchmark of a state's progress of key development indicators. As per India Human Development Report, 2011 Human Development Index of India is 0.467 and State ranks 5th in the country with Human Development Index of 0.572.

*Table 1: Major (area wise) Shopping Malls in Maharashtra*

Prozone Mall	Chikalthana, Aurangabad	2010	680,189 sq ft (63,191.6 m <sup>2</sup> )
High Street Phoenix	Lower Parel	2008	650,000 sq ft (60,000 m <sup>2</sup> )
Metro Junction	Kalyan	2008	750,000 sq ft (70,000 m <sup>2</sup> )

Mall			
Inorbit Mall	Malad, Vashi	2004 / 2008	364,000 sq ft (33,800 m <sup>2</sup> ) / 545,000 sq ft (50,600 m <sup>2</sup> )
Raghuleela Mall	Vashi	2007	375,000 sq ft (34,800 m <sup>2</sup> )
Korum Mall	Thane	2009	500,000 sq ft (46,000 m <sup>2</sup> )
Growel's 101	Kandiwali	2007	650,000 sq ft (60,000 m <sup>2</sup> )
R-Mall	Mulund	2003	250,000 sq ft (23,000 m <sup>2</sup> )
Crossroad Mall	Worli	1999	150,000 sq ft (14,000 m <sup>2</sup> )
Fountain Square	Kharghar	2008	375,000 sq ft (34,800 m <sup>2</sup> )
R City Mall	Ghatkopar	2009	657,000 sq ft (61,000 m <sup>2</sup> )
Neptune Magnet Mall	Bhandup	2011	1,056,000 sq ft (98,100 m <sup>2</sup> )
Empress City Mall, Nagpur	Empress City, Nagpur	2010	610,000 sq ft (57,000 m <sup>2</sup> )
Nashik City Centre Mall	Untwadi	2009	900,000 sq ft (84,000 m <sup>2</sup> )
Pinnacle Mall	C.B.S	2011	500,000 sq ft (46,000 m <sup>2</sup> )
Phoenix Market City	Viman Nagar	2011	800000 sq ft
Koregaon Park Plaza	Koregaon Park	2012	4,00,000 sq ft

- **Factors driving the growth or retail sector**

Indian economy is growing at the rate of 8%, indicating a prosperous future. The consistent economic growth resulted in a decent rise in income level of the middle class. The thickening of the pocket of the consumer resulted in a revolution of the retail industry. Many International brands have entered the market. With the growth in organized retailing, unorganized retailers have brought drastic changes in their business models, many factor are responsible for the growth of retail sector. These are:

**Increasing Disposable Income:** Rising disposable incomes in middle class and lower middle class with increase in employment

opportunities for young adults in IT & IT enabled sectors are the major cause of retail growth in India.

**Increasing no. Of Dual Income Nuclear Families:** In India, hefty pay packets, nuclear family along with increasing working women population and dual income in family are the factors contributing to prosperous retail sector.

**Changing Lifestyle and Consumer Behavior:** Due to increasing working population, comfortable life, travel and leisure are given importance. These key factors are growth drivers of retail sector in India which now boast of retailing almost all the preferences of life – apparel and accessories, Appliances, Electronics, cosmetics & Toilets cries etc.

**Experimentation with Formats:** Due to competition in the market, retailing is still evolving and the sector is witnessing a series of experiments with new formats being tested out.

**Store Design:** Shopping malls and super markets are growing at a very faster rate. Improvements in infrastructure and enhanced availability of retail space, store design are the factors increasing the share of organized retail and thereby contributing to growth of Indian retail sector.

Whereas 27% of them strongly disagree this which interprets that almost 81% of the respondents are having a negative response for the goods/products provided by traditional retailers. 3% are of neutral view and only 16% agree that traditional retail provides better products.

**II LITERATURE SURVEY**

In this paper, **Krishna**<sup>3</sup>, Aradhna, Harlamexplored that the effectiveness of any promotional strategy depends, in part, on how accurately channel members predict consumers’ perceptions of their promotional activity under the title ., “The manufacturer-retailer- consumer triad: Differing perceptions regarding price promotion”. Journal of Retailing (2001), vol. 75, pg. 42-56. In this article they examined manufacturer’s and retailer’s beliefs about consumer’s (and each other’s) perceptions of sales promotions and assess the accuracy of these predictions. They found that retailers and manufacturers might hold similar but inaccurate views of consumer’s industrial knowledge. Manufacturers and retailers consistently underestimated the level of consumer’s knowledge. Specifically, for consumer attribution about the financing of and sources of promotions, channel members overestimated consumers’ reliance upon simple, causal attribution cues such as the location of the promotion. For knowledge of store and generic brands, manufacturers and retailers were inaccurate in predicting consumer’s beliefs. The similarity of supplier and retailer knowledge bodes well for channel efficiency, yet limitation in their understanding of consumer knowledge about promotions might lead to weakness in channel marketing strategies. It was suggested that to improve the effectiveness of promotional strategies, channel members should try to gather accurate data about consumer industrial knowledge.

It has been revealed in this research studies by **Arnold**,<sup>4</sup> M. J., and Reynolds, K. E, (2003), Hedonic shopping motivations, Journal of Retailing, 79 (2), 77-95, that shopping mall drive hedonic shopping motives among consumers that are similar to the utilitarian shopping motives. In modern malls, shoppers fulfil their hedonic values by ways of experiencing fun, amusement, fantasy, and sensory stimulation. It has been observed that shoppers enjoy malls as leisure and festive spots in urban area to derive hedonic pleasure and drive shopping motivation with social status.

The study, “Loyalty Program Attributes and Their Influence on Retail Customer Satisfaction” by **Bridson Kerrie**,<sup>5</sup> Hickman Melissa, Journal of Consumer Research (2003), vol. 30, pg. 1-31, stressed that in an increasing competitive environment retailers are continually striving to find ways in which to attract and retain customers. As such, loyalty programs have proliferated in the retail market. They introduced two dimensions of loyalty program attributed -hard attributes and soft attributes. Hard attributes were constituted by tangible elements- gifts vouchers and free items. By contrast, soft attributes were perceived to give consumers a sense of recognition and include such things as personalized communication, a preferential treatment. The results

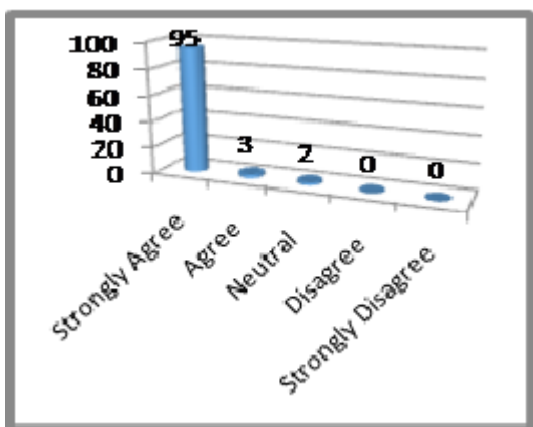


Figure 1: Satisfaction of respondents from modern outlets to the easy and convenient availability.

As we can see than every locality is having many small kiranas diaries stores etc. this interprets that traditional retailers are preferred more as compared to modern outlets due to its availability.

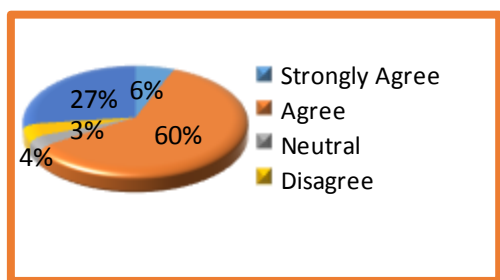


Figure 2: Attitude toward provision of things available in shopping malls by the respondents from Modern outlets.



of multiple regression demonstrated that emphasis on hard and soft attribution enhanced customer satisfaction with retailer's merchandise, trading format, and customer service and customer communication. Additionally, hard attribution had a more significant influence than soft attribution on satisfaction with all elements of the retail offer excluding merchandise. This study provided support for the inclusion of both hard and soft attributes in loyalty programs as they differ in their association with store satisfaction.

**Objectives of the study:**

- 1) To know the consumer behaviour and buying habits of customers towards traditional retailing and shopping mall system.
- 2) Critical analysis of retailing system and its effectiveness as a tool in promotional marketing and social indices.
- 3) To know the consumer attraction towards mall.

**III CONCLUSION**

While ambience and scale are certainly eye candy, Indian shoppers are increasingly finding it frustrating to shop at modern retail for all their needs as these players are slipping up on replenishing stocks in real time. The 'stocking rates' or 'fill rates', of modern Indian retailers now is mere two-third of the global average of 90 plus per cent, which even local kirana stores offer. For an average shopper who comes with a list of 20 items on a trip, this would entail another visit to the supermarket or a drive to the next one to complete the shopping, which is an additional cost incurred. Mr. Kumar Rajagopalan, CEO, Retailers Association Of India, points out the vendor to retailer system connects are yet not well established Ms Saloni Nangia, agrees, "Kirana stores are supported by a robust distribution network, while the modern retail channels is still new in India, both for retailers and brands. But modern retail chains also are working towards improving shelf availability through internal process.

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